The Management University of Africa

MUA

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UNDERGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF BACHELOR OF ARTS IN DEVELOPMENT STUDIES

BDS 306 : PROJECT PLANNING AND DESIGN

DATE: ***8TH DECEMBER 2016***

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:.

PROJECT PPLANNING IN AGRICULTURAL DEVELOPEMNT

Disappointing results of agricultural water development efforts in the past have often been associated with poor planning, appraisal and implementation of investment opportunities in Africa. Failures in design and implementation of projects have often caused low or even negative returns on investment , emergence of environmental and health problems, lack of sustainability , subsequent collapse of infrastructure, and emergence of a rehabilitation – lack of maintenance – rehabilitation cycle. Even when project design has been satisfactory, weak implementation capacity has often led to unsatisfactory results.

Many projects in the past were designed and implemented in a top-down fashion with little or no real participation of the supposed beneficiaries in designing and implementing projects. Investments have often been driven by International Financing Institutions (IFIs) and governments, and not by the demands and wishes of potential beneficiaries. Even projects specifically intended to enhance farmer's capacity for scheme management have often not succeeded, in part because of serious project design and implementation weakness.

The specific objective of the planning and implementation component is to identify ways to the performance and sustainability of investments in agricultural water, by pinpointing practical measures practical measures to improve project preparation and implementation. This includes planning, appraisal, implementation arrangements, supervision and systems for monitoring and evaluation. Special attention has been paid to the institutional framework for project planning, appraisal and implementation, in terms of the incentives the different parties may have with respect to achieving the project goals. This component focuses on agricultural water use projects funded by IFIs (World Bank, African Development Bank, International Fund for Agricultural

Development, European Union). A few projects funded by bilateral agencies, Governments, non-governmental Organizations and private sector were incorporated in the analysis.

Concerning the beneficiaries, the World Bank and African Development Bank projects studied never mentioned criteria for targeting the beneficiaries of the projects: it is assumed that once the site of the project is selected, all the rural households in the area will benefit. Even when poverty alleviation is specifically mentioned as a project goal, there is rarely an explicit or implicit poverty reduction impact assessment. eg. Fadama 1 Project in Nigeria in 2004. Moreover, among recent projects funded by the World Bank, *there is a widespread assumption that since most households are poor no poverty targeting is needed(ODED, 2005).*Appraisal documents generally show a weak analysis of who are poor and why, although non-dedicated agricultural management projects usually perform better from this point of view. FAO Technical Investment Centre realized that, although small scale irrigation schemes may facilitate the participation by farmers, they can also experience implementation failures and poor performance , because it is more difficult to focus the necessary but scarce skills on small schemes especially if they are not included in a bigger program. Technical design may be neglected and economic analysis may be very powerful. In the cases where small subprojects are embedded into a bigger program, the multiplicity of decision levels often increase the risk of implementation problems.

Request:

a) Define project Appraisal **(2 Marks)**

b) Explain the Purpose developing a good project design. **(10 marks)**

c) A project begins as an idea – an identification of a need or opportunity that is assessed, analysed, and ultimately developed into a project plan. Use this statement to describe the sources of projects. **(8 Marks)**

d) Discuss the following aspects of criteria for reviewing projects

i. Impact **(2 marks)**

ii. Sustainability **(3 marks)**

QUESTION TWO

a) Discuss the following balance sheet ratios **(6 Marks)**

i. Return on assets

ii. Return on investment (ROI)

b) Discuss the limitations of bud budgetary **control development** projects **(4 Marks)**

c) Write short notes on the following aspects of project appraisal:

i. technical analysis **(3 Marks)**

ii. financial analysis **(2Marks)**

QUESTION THREE

a) Discuss Cost Benefit Analysis as an impotent tool for project selection. **(9Marks)**

b) Discuss the following liquidity ratios **(6 Marks)**

i. Current ratio

ii. Solvency ratios

iii. Leverage ratio

QUESTION FOUR

a) Discuss the approaches used during Work Based Structure (WBS) **(8 Marks)**

b) Monitoring and Evaluation are synonymous. Discuss this statement elaborating the difference between the two. **(7Marks)**

QUESTION FIVE

a) Discuss the Benefits of financial controls **(10 marks)**

b) Discuss the Merits of Budgetary Control **(5 marks)**

QUESTION SIX

a) Discuss the factors which may influence a projects budget. **(10 Marks)**

b) Explain the relevance of initiating a project. **(5 Marks)**